**GOOGLE – MANAGING A TECHNOLOGY PORTFOLIO**

Google, the well-known Web search engine is one of the most valuable brands in the world. In 2013, it was valued at $52 billion by BrandFinance.com, making it the second ranked global brand. It has for several years been by far the most popular search engine, accumulating vast revenues and profits that have been used to acquire other technology companies and starting up new businesses. The company retains over $54 billion cash stockpile, more than enough to cover the annual budget for the National Aeronautics and Space Administration (NASA) (about $20 billion in 2013). Its share price hovered above $900 over the last three years.

Google still receives more than 50% of its revenues from online search and search-related advertising. But because the ambitions of the founders, Larry Page and Sergei Brin and because in the technology business, the only way to stay in front is to keep moving, the company has made a number of big efforts at innovation. One invention, the development of the Android mobile operating system is said to bring in $6.8 billion annually from its use on smart-phones. Google has also bought a number of businesses. It acquired YouTube in 2006, and the video-sharing website now contributes $4 billion in revenues each year.

Research from industry sources showed that Google has either merged or acquired 129 businesses as of September 2013. Whether this is true diversification or not is not clear – some observers point to the narrow focus on technology, and the fact that most revenues come from advertising generated by search or the Android operating system. Others see the collection of businesses as an unorganised and irrational collection of separate activities. Here is one example from Time Magazine:

“Google is, of course, in the search business, and more important for its profitability, it is in the online-advertising business. However,it is also in the following lines of business:

* Mobile operating system business
* Web-browser business
* Free email business
* Driverless car business
* Wearable-computing business
* Online map business
* Renewable energy business
* The business of providing internet access to remote areas via high-altitude balloons and countless other

However, bloggers routinely complain that Google is fragmenting itself by operating in so many different businesses. Here is a typical example:

“Google innovates, refines and delivers some of the best services out there. At other times, I can’t help but wonder if there’s anyone with a clear vision for the company and the various product group operating within it.”

Co-founder Larry Page served as Chief Executive of Google for the first three years until 2001 when Eric Schmidt was brought in from software giant Novell to bring in some management expertise. It was the troika of Page, Brin and Schmidt that led Google’s mergers and acquisitions fuelled fast growth through the first decade of the new millennium. In April 2011, Page reclaimed the CEO title, and Schmidt became Executive Chairman. The management change was intended to allow Page to take on the task of coordinating, streamlining and managing the Google portfolio of businesses, not an easy task.

Page’s leadership quickly made a difference. He closed down two failing companies, a Wikipedia kick-off company called Knol and also Google Buzz, a Twitter clone. He reduced the number of new product introductions and axed existing projects in periodic “spring cleanings.” He reshaped Google’s management structure, creating a team of top managers to better coordinate, consolidate and streamline the different businesses. However, he also expanded, acquiring handset maker Motorola Mobility in a $12.5 billion acquisition, in order to start Google manufacturing its own hardware in the mobile phone industry.

The overall philosophy draws from Google’s original strategy. Early on, Google beat search competitors such as Altavista by being much more accurate. Other early successes like Gmail, with abundant free storage, and Google Maps succeeded for similar reasons, because what they offered was far beyond what competitors offered.

**ASSIGNMENT QUESTIONS**

You are hired as a Brand Management Consultant by Google and asked by its senior marketing team to prepare a Report that addresses the following questions.

1. Using appropriate branding frameworks, explain Google’s brand identity, image and positioning (50%)
2. Evaluate Google’s branding strategy, then recommend,and justify the most suitable branding strategy that Google should adopt (50%)

**ASSIGNMENT REQUIREMENTS**

* This assignment is assessed by means of an individual assignment of 3000 words (+/-10%)
* You are encouraged to conduct external research to substantiate your answers.
* Reference all sources of external information used in your work and any additional information to support your answers can be included in the appendix
* The Individual Report should be submitted and uploaded onto the MyCourses site on 23rd February 2020 by 11.59 pm.

**ASSESSMENT CRITERIA**

* Demonstrate clear understanding of the relevant theoretical concepts and principles
* Convincing, clear and concise analysis of and in using relevant concepts and principles in the context of the information provided
* Ability to synthesize and to form creative responses
* Evaluation of issues
* Effectiveness of problem solving
* Ability to present the required information in an acceptable format
* To support an argument draw in evidence as well as assertion. Make extensive use of external information sources to support your answers where necessary.
* Refer to the literature. The more references you draw on the better.
* Think about structure.

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